

Alton Coal Development, LLC

# **Coal Hollow Project**

Mining and Reclamation Plan



**Volume 1**

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## **INTRODUCTION**

The Alton coal field is located in T39S, R6W and T39S, R5W SLB&M, Kane County, Utah. Kane County is located in the southwest quarter of Utah. The town of Kanab, which is the Kane County Seat, is located about 30 miles south of the Alton coal field (see attached vicinity and location drawings).

Alton Coal Development, LLC (ACD) is proposing the development of a portion of the Alton coal field. The proposed development is the Coal Hollow Mining Project. The center of the Coal Hollow Project (CHP) is located approximately 3 miles south of the town of Alton, Utah.

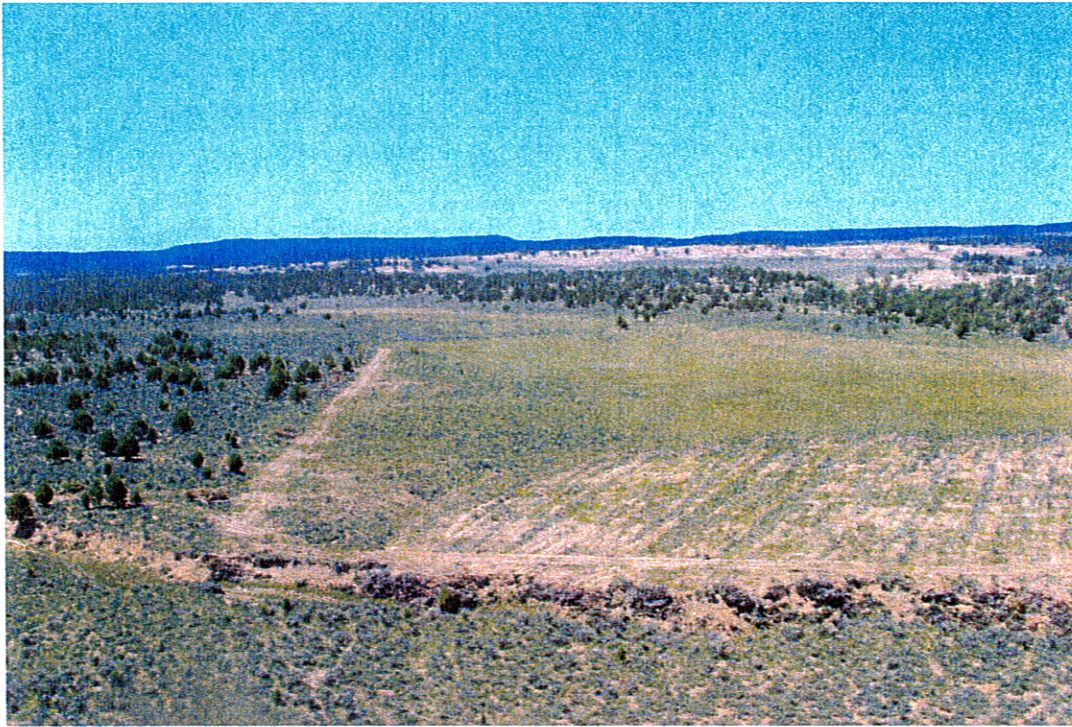
ACD has initiated the processes involved to secure coal leases and a permit to mine coal from the project area. In 2004, ACD negotiated surface and coal leases for the private or fee areas of the Alton coal field. In 2004 ACD submitted a Lease by Application (LBA) to the Department of the Interior, Bureau of Land Management State Office, Salt Lake City, Utah for federal coal acreage contiguous to the secured private lease area. In 2006, ACD submitted a Mining and Reclamation Plan (MRP) to the Utah Division of Oil, Gas and Mining (UDOGM). This MRP submittal was determined to be administratively incomplete in August 2006. ACD addressed the deficiencies list provided by the Division and resubmitted the MRP in June of 2007. August 2007, UDOGM completed the Administrative Completeness Review of the June 2007 submission and provided ACD with a deficiencies list. January of 2008, ACD submitted a package addressing the August UDOGM deficiencies list.

The Coal Hollow Project involves a surface mining operation that will produce approximately 2,000,000 tons of coal annually. The coal will be transported from the Alton coal field in trucks (and possibly rail) to markets in the surrounding region. Operations at the mine are expected to be conducted 24 hours a day, 6 days a week.

In early 2004, ACD initiated base line studies within the area of the Alton coal field. Base line studies are required by state and federal agencies prior to submitting a MRP application.

In 2004, ACD hand picked consultants and personnel to prepare field and base line studies for the Coal Hollow Project. Consultants were selected based on their technical expertise and professional ethical standards. The CHP will be a flagship coal mining operation and its culture of excellence will not start when the first ton of coal is mined, but rather from project inception. ACD seeks to develop a culture of high integrity extending to it personnel, mining operations, community relations, and environmental performance.





Startup area of the surface mine - phase 1 mining area  
View to the south



View of coal seam exposed in Robinson Creek  
Phase 1 area of Mining  
View to the NE





Phase 1 mining area (left)  
 Coal loadout (background)  
 Phase 2 mining area (foreground) – view to the north



Phase 3 & 4 mining area  
 View to the west





View of the proposed coal loadout area  
The town of Alton (background) – view to the NE



View of proposed coal loadout  
View to the NE





View of area to be mined and reclaimed – view to the south

- BLM Pinion-Juniper 2005 treatment area (foreground)
  - The Pinion-Juniper community has out competed with the other vegetative species, creating barren ground
  - The reclamation process will improve the natural ground and vegetation communities by planting more suited vegetative plant species more suitable to the area (grazing and wildlife)
- County Road # 136 running north/south through proposed permit area
- County road will be relocated to bypass mining operations
- Bypass route will start at the bottom right edge of photo
  - Bypass route will be relocated west of existing county road
  - Bypass route will reconnect with existing county road (top of photo) approximately 3 miles of bypass road
- Mining operations will be cordoned off to civilian traffic
- After coal is removed and the area reclaimed, the surface contour will be reduced by 0.7'



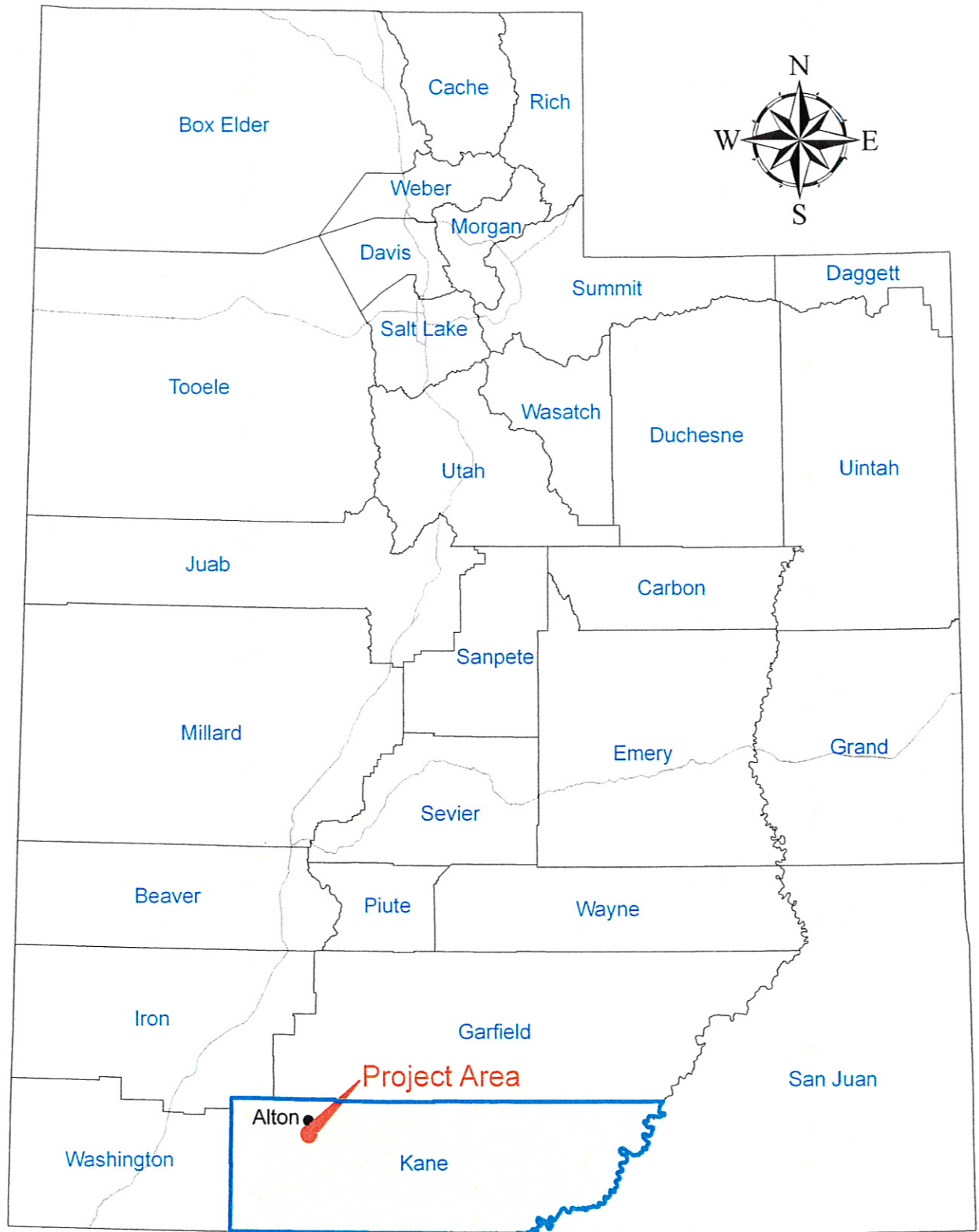


View of area to be mined and reclaimed – view to the north



Location of 1960's reclaimed Alton Coal mine  
Portal was in cleared area of hillside





General Location